

21. a) Independence Assumption and the Normal Model Assumption need to be met. To satisfy the Independence Assumption I will use the 10% Condition:

The 1200 New Yorkers is less than 10% of the population of those who live in NY.

To satisfy the Normal Model (Distribution) Assumption, I will use the Success/Failure Condition

$$np \geq 10 \text{ and } nq \geq 10$$
$$1200(.22) \geq 10 \text{ and } 1200(.78) \geq 10$$
$$264 \geq 10 \text{ and } 936 \geq 10$$

Since both values are greater, than or equal to 10, we can assume the Normal Model Assumption.

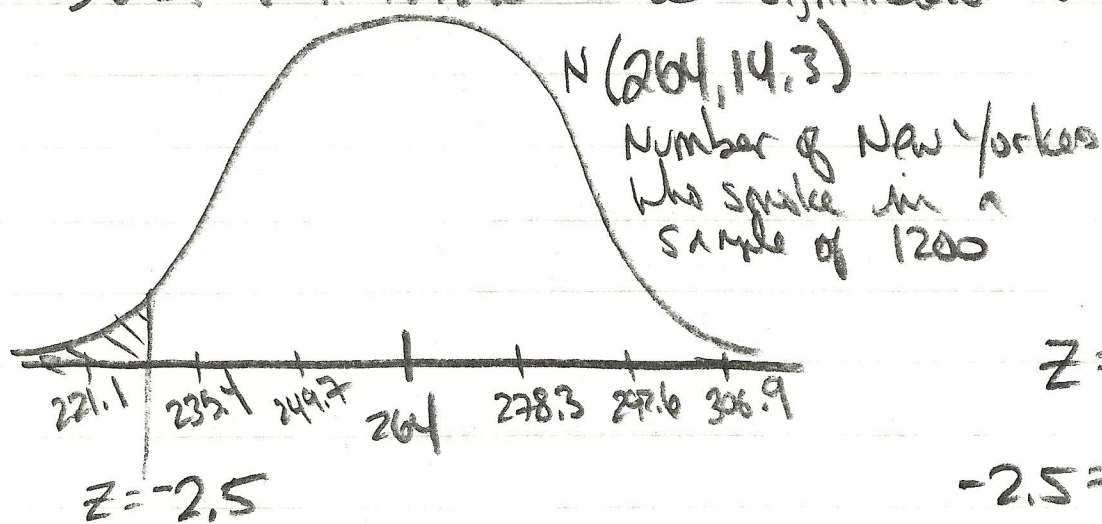
Since we verified both Conditions, we can model the Binomial using a Normal Model.

b) I will use a Normal Model to model the number of New Yorkers in sample who smoke

$$\mu = np = 1200(.22) = 264$$

$$\sigma = \sqrt{npq} = \sqrt{1200(.22)(.78)} = 14.3$$

I believe that if the number of people falls below 2.5 standard deviations below the mean, then that will indicate a "significant" decrease.



$$z = \frac{y - \mu}{\frac{\sigma}{\sqrt{n}}}$$

$$-2.5 = \frac{y - 264}{14.3}$$

$$y = 228.25$$

About 229 people would indicate to me a significant decrease in the population that smokes.

22

- a. Total outcomes = 36

Alphonso wins 16 times = 0.4444

Bettina wins 20 times = 0.5556

$$\text{Or } P(B) = P(A \text{ gets } 2 \cap B \text{ gets } 3) = \frac{5}{6} \times \frac{4}{6} = \frac{20}{36}$$

	8	2	2	2	2	2
3	A	B	B	B	B	B
3	A	B	B	B	B	B
3	A	B	B	B	B	B
3	A	B	B	B	B	B
1	A	A	A	A	A	A
1	A	A	A	A	A	A

- b. If fair, $E(A) = \$10 \left(\frac{16}{36} \right) + x \left(\frac{20}{36} \right) = 0$ or $x = -8$

So if Alphonso wins, he should pay Bettina \$8 to make it a fair game.

\$ Alphonso wins	\$10	X
$P(A)$	$\frac{16}{36}$	$\frac{20}{36}$

- c. Create a probability model for the amount Alphonso wins.

$X = \text{amount Alphonso wins}$	\$8	\$2	-\$3
$P(X)$	$\frac{6}{36}$	$\frac{10}{36}$	$\frac{20}{36}$

	8	2	2	2	2	2
3	A8	B3	B3	B3	B3	B3
3	A8	B3	B3	B3	B3	B3
3	A8	B3	B3	B3	B3	B3
3	A8	B3	B3	B3	B3	B3
1	A8	A2	A2	A2	A2	A2
1	A8	A2	A2	A2	A2	A2

d. $E(X) = \$8 \left(\frac{6}{36} \right) + \$2 \left(\frac{10}{36} \right) + (-\$3) \left(\frac{20}{36} \right) = \0.22

Standard deviation =

$$\sqrt{(8 - 0.22)^2 \left(\frac{6}{36} \right) + (2 - 0.22)^2 \left(\frac{10}{36} \right) + (-3 - 0.22)^2 \left(\frac{20}{36} \right)} = \sqrt{16.7284} = 4.09$$

- e. Alphonso has the advantage, because his expected value is positive. He expects to win an average of \$0.22 for each time they play the game.

$$23)^a) E(X) = .2(10) + .4(8) + .3(6) + .1(0) \\ = 7$$

$$\text{Var}(X) = (10-7)^2(.2) + (8-7)^2(.4) + (6-7)^2(.3) + (0-7)^2(.1)$$

$$= 1.8 + .4 + .3 + 4.9 = 7.4$$

$$\text{SD}(X) = \sqrt{\text{Var}(X)} = \sqrt{7.4} = 2.72$$

$$b) E(X) = E(10) + E(8) + E(6) + E(0)$$

$$\begin{array}{l} \mu_{10} = E(10) = 25(.2) = 5 \\ \mu_8 = E(8) = 25(.4) = 10 \\ \mu_6 = E(6) = 25(.3) = 7.5 \\ \mu_0 = E(0) = 25(.1) = 2.5 \end{array} \left. \begin{array}{l} \\ \\ \\ \end{array} \right\} \begin{array}{l} \text{Expected number} \\ \text{of shots made in} \\ \text{each point value} \end{array}$$

$$\sigma_{10} = \sqrt{25(.2)(.8)} = 2 \rightarrow \sigma^2 = 4$$

$$\sigma_8 = \sqrt{25(.4)(.6)} = 2.45 \rightarrow \sigma^2 = 6$$

$$\sigma_6 = \sqrt{25(.3)(.7)} = 2.29 \rightarrow \sigma^2 = 5.25$$

$$\sigma_0 = \sqrt{25(.1)(.9)} = 1.5 \rightarrow \sigma^2 = 2.25$$

$$\begin{aligned}
 b) E & \left[10 \left(\overset{\text{Exp}}{\# \text{ of}} \text{Bulls} \right) + 8 \left(\overset{\text{Exp}}{\# \text{ of}} \text{8 ring} \right) + 6 \left(\overset{\text{Exp}}{\# \text{ of}} \text{6 rings} \right) + 0 \left(\overset{\text{Exp}}{\# \text{ of}} \text{misses} \right) \right] \\
 &= 10(5) + 8(10) + 6(7.5) + 0(2.5) \\
 &= 175 \text{ pts}
 \end{aligned}$$

$$\begin{aligned}
 \text{Var} & \left[10 \left(\overset{\text{Exp}}{\# \text{ of}} \text{Bulls} \right) + 8 \left(\overset{\text{Exp}}{\# \text{ of}} \text{8 ring} \right) + 6 \left(\overset{\text{Exp}}{\# \text{ of}} \text{6 rings} \right) + 0 \left(\overset{\text{Exp}}{\# \text{ of}} \text{misses} \right) \right] \\
 &= 10^2 \text{Var}(\text{Bulls}) + 8^2 \text{Var}(\text{8 ring}) + 6^2 \text{Var}(\text{6 rings}) + 0^2 \text{Var}(\text{misses}) \\
 &= 100(4) + 64(6) + 36(5.25) + 0(2.25) \\
 &= 400 + 384 + 189 + 0 \\
 &= 973
 \end{aligned}$$

$$\text{SD}(\text{For \# of points in game}) = \sqrt{973} = 31.2$$

c) I will use a Normal model / (Check Success/failure + 10% Condition)

